The produced gillims are used in the leatherwork production centre for the preparation of leather/gillim combinations. These leather/gillim combination items are some of the best selling items in the local and foreign markets.

SOAP

A soap making and training centre was established in Ghazi camp in 1988 to provide work and training to Afghan refugees in Ghazi.

During this period, 20 Afghans were provided with income every month, earning wages of Rs.107,785.00 and producing 26,018 Kgs. of soap.

PRODUCTION - CONCLUSION

As can be easily seen, the average of 337 producers employed every month falls just short of the aim of 360 producers as detailed in the six monthly work plan previously submitted. This has been due to a management decision not to employ any more producers as we are not able to sell all of the produced items, therefore we do not wish to improperly use the donors' funds. The next section, Marketing, is therefore very important for us to concentrate on as if we cannot sell, we should not produce.

MARKETING

During the reporting period, the project was able to sell leather, embroidery, carpet, and other items worth Rs.1,750,497.00, an increase of 41% on the previous six months figures. The shop which was established in the new rented office in University Town Peshawar, has now become well established and has a regular clientele from many of the NGO staff who are working for refugees or implementing cross border projects. It is expected that the project will be able to sell more leather and embroidery items through this shop in future.

A wide range of new designs in leather and embroidery has been introduced to the market. The marketing component was able to find new customers in this period and contact and business with old customers was also maintained.

Due to the Gulf war, two major exhibitions, i.e Horse and Cattle Show at Lahore and the Islamabad Industrial Exhibition, were cancelled which affected the sale of our items in first half of 1991. The project had sold items worth Rs. 400,000.00 in these two exhibitions last year. Because of the war, less orders were received from our regular customers abroad and also most of the expatriates who were regular customers had left the country due to security reasons.

The project has exported leather items to different trading organizations such as SOS Holland, Self Help (USA), SERRV and to a party in Germany through Shelter Now International. The total value of the items exported during the period was Rs. 347,148.00.

A new price list for embroidery items has been printed and presented to customers. An intensive system has been designed and practiced for maintaining accurate records of Murree and Quetta shops and the Peshawar shop/displayroom. This has made the work very easy. Also an order follow-up card has been designed to assist in the efficiency of receipt of orders for the customers from the production component.

During the last two months of this project period, in association with ADA, a shop has been opened in Quetta which has sold Rs.14,280.00. These sales should increase over the next period.

FINANCE

As is mentioned in the introduction, this is a joint project submitted to ICCO and CEC for funding.

ICCO approved funding by signing an agreement with The Salvation Army to contribute 22% towards total funding of the project commencing 1st February 1990. CEC approved funding for the project from Ist November 1990 at the amount of 68% of the project cost. The remaining 10% is being contributed from the sales income. Sincere thanks go to both ICCO and CEC for their funding to us for this Project.

Due to the different funding periods of the co-financing agreement and since the CEC funds were not received until March 1991, a cash flow problem emerged. This defecit was covered by The Salvation Army, Peshawar who contributed funds from its leatherwork and vocational income accounts in order to keep the programmes running, albeit on a scaled down basis.

The funds paid for minimum field expenses and salaries for the staff members. The amount of Rs.3,601,017.00 was contributed to the project from these income accounts from 1st February 1990 to date. This means that an amount in excess of the agreed income contribution has now been contributed to this project.

Monthly financial analysis reports have been produced for all the projects by the finance department and this assists the project management in monitoring the monthly expenses according to budget line items.

For further details on the expenditure and income of the projects during this period, please refer to the Financial Appendices at the end of this report.

ADMINISTRATION

As mentioned earlier, Peshawar office is responsible for the overall administration of the project. It is also providing administrative and logistics support to the field offices which include formulation of policies, supply of stationery, and all other programme related materials being used in the camps.

The Peshawar office is also acting as a liaison between the camps and UN, Government of Pakistan Afghan Refugee Commissionerate, donors and other voluntary agencies and keeps them informed of developments made in the programme.

The progress and financial reports on the programmes are prepared and sent to the respective donors on a regular basis.

Monthly projects management meetings between the Director and the Programme Officers, Manager Administration and Project Accountant were held in Peshawar and a number of matters pertaining to the development of the projects were discussed. Additional planning meetings were also held between the Director and Vocational Programme Officer to discuss specific matters.

During this reporting period a total of 66 Afghan staff have been employed on this project, receiving an average monthly salary of Rs.161,500.00.

Involvement in the broader issues of aid delivery to the Afghan forms part of the work of the project. The Project Director is Vice-Chairman of ACBAR (Agency Co-ordinating Body for Afghan Relief), is chairman of the Repatriation Sub-Committee in ACBAR and both he and Programme Officer for Vocational Training regularly participate in relevant ACBAR/UN/Donor forums. The project has also provided information to the ACBAR Database and ACBAR Members Directory.

TRANSFER TO AFGHAN DEVELOPMENT ASSOCIATION

Both the finance and administration departments have been exceptionally busy in preparations for the transfer of the programmes to Afghan Development Association. A complete, extremely detailed inventory was prepared for all of the office items, the raw material and training material was itemised and the finished goods stock in all of the shops and store rooms was also recorded. Funds held in the project income accounts were also checked and then transferred to ADA from The Salvation Army. Undernoted are brief details of the amounts involved. Further details can be found in the Appendix and more details are available from this office on request.

Funds unspent from PROJECT ALA/A/3/90	**RS. 67,817-61**
Funds accrued from EEC/ICCO INCOME ACCOUNT	**RS.2,423,564-21**
Funds accrued from S.A. LEATHERWORK INCOME	**RS. 215,494-02**
Funds accrued from S.A. VOCATIONAL INCOME ACCOUNT	**RS. 952,731-00**
Funds unspent from S.A.F.E. PROJECT	**RS. 75,091-00**
TOTAL CASH AND BANK FUNDS TRANSFERRED	**RS.3,734,697-84**

FUTURE

In December 1988 the Project Director prepared a concept paper regarding the idea of creating an indigenous Afghan NGO which could then go into Afghanistan and work to assist and encourage a repatriation of the refugees living in Pakistan, also assisting the internally displaced people who number about 2.3 million.

As mentioned in the Executive Summary, The Salvation Army was able to create an indigenous Afghan NGO named the Afghan Development Association (ADA) in October 1990. It was decided that in the beginning, the staff of this NGO who were also The Salvation Army staff, would implement the existing Salvation Army vocational training and income generation projects in the camps and would commence work as Afghan Development Association (ADA) in Afghanistan. After 30th October, 1991 as mutually agreed by The Salvation Army and Afghan Development Association, ADA became independent and now implements all its own programmes.

Since 1st. November 1991, CEC funds are being passed through The Salvation Army to ADA for them to implement this programme.

The Salvation Army will have staff on hand to monitor the implementation and to finally forward reports to CEC. The ICCO funding terminates on 31st. October 1991 but by that time ICCO will have contributed their portion of funding to the project as per the co-financing agreement.

The creation of an indigenous organisation from within an international organisation has not been completed by any of the agencies working with the Afghans. It is therefore a joy for The Salvation Army to see this type of success in the programme. However, success cannot be achieved by good planning alone. It is due to the project staff that such a new venture has been possible and it is to these people, most of whom will remain largely unknown outside this project, that this report is dedicated. Thank you to you, the staff who have made this all possible. The future is now in your hands.

PESHAWAR, PAKISTAN.
DECEMBER 1991.

1 FINANCIAL REPORT: 02
PERIOD:1ST MAY 1991 TO 31ST OCTOBER 1991
COUNTRY: PAKISTAN
PROJECT TITLE: VOCATIONAL TRAINING AND INCOME GENERATING.
ORGANIZATION: THE SALVATION ARMY AFGHAN REFUGEE ASSISTANCE PROJECT.
CONTRACT NO.: ALA/A/3/90
DATE: 01/11/1990 *
DURATION: 01-11-90 TO 31-10-93.

3	ECUs									
	TOTAL BUDGET		EXPENDITURE 1ST REPORT 01-11-90 TO 30-04-91		EXPENDITURE 2ND REPORT 01-5-91 TO 31-10-91		TOTAL EXPENDITURE 01-11-90 TO 31-10-91		BUDGET BALANCE	
	EEC = 600,000.00 ICCO = 191,000.00 INCOME= 93,746.00		EEC = 108,100.00 ICCO = 98,464.00 INCOME= 121,400.00		EEC = 208,994.00 ICCO = 83,770.00 INCOME= Nil		EEC = 317,094.00 ICCO = 182,234.00 INCOME= 121,400.00		EEC =282,906.00 ICCO = 8,766.00 INCOME=(27,654.00)	
	EEC	ICCO	EEC	ICCO	EEC	ICCO	EEC	ICCO	EEC	ICCO
2 **TRAINING**										
STAFF COST	80,425.00	00.00	12,710.00	7,202.00	17,082.00	00.00	29,792.00	7,202.00	50,633.00	(7,202.00)
OPERATIONAL COST	32,257.00	32,258.00	9,885.00	876.00	15,560.00	1267.00	25,445.00	2,143.00	6,812.00	30,115.00
MANAGEMENT COST	135,265.00	00.00	9,978.00	00.00	15,199.00	00.00	25,177.00	00.00	110,088.00	00.00
PURCHASES	64,633.00	00.00	9,346.00	00.00	15,301.00	00.00	24,647.00	00.00	39,986.00	00.00
DIRECT TRAINING COST	39,508.00	2,866.00	11,539.00	4,609.00	15,701.00	00.00	27,240.00	4,609.00	12,268.00	(1,743.00)
PRODUCTION										
STAFF COST	39,194.00	00.00	14,797.00	00.00	21,565.00	00.00	36,362.00	00.00	2,832.00	00.00
OPERATIONAL COST	29,757.00	00.00	11,037.00	6,502.00	16,497.00	1,880.00	27,534.00	8,382.00	2,223.00	(8,382.00)
MANAGEMENT COST	00 .00	00.00	00.00	4,342.00	00.00	00.00	00.00	4,342.00	00.00	(4,342.00)
PURCHASES	96,779.00	59,665.00	22,374.00	48,298.00	79,253.00	22,692.00	101,627.00	70,990.00	(4,848.00)	(11,325.00)
DIRECT PRODUCTION COST	00.00	83,876.00	00.00	26,173.00	00.00	41,515.00	00.00	67,688.00	00.00	16,188.00
MARKETING										
STAFF COST	10,932.00	00.00	3,494.00	00.00	5,385.00	00.00	8,879.00	00.00	2,053.00	00.00
OPERATIONAL COST	16,368.00	12,335.00	2,296.00	462.00	4,144.00	1,448.00	6,440.00	1,910.00	9,928.00	10,425.00
MANAGEMENT COST	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00
PURCHASES	7,133.00	00.00	442.00	00.00	3,003.00	00.00	3,445.00	00.00	3,688.00	00.00
DIRECT MARKETING COST	2,500.00	00.00	202.00	00.00	304.00	00.00	506.00	00.00	1,994.00	00.00
TRAINING CONTINGENCY	45,249.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	45,249.00	00.00
EXCHANGE RATE FLUCTUATION	00.00	00.00	00.00	00.00	00.00	14,968.00	00.00	14,968.00	00.00	(14,968.00)

* See expenditure on column (6)

	4 PAK. RUPEES											
	EXPENDITURE FROM 01-05-1991 TO 31-10-1991											
	MAY 1991		JUNE 1991		JULY 1991		AUGUST 1991		SEPTEMBER 1991		OCTOBER 1991	
	ECUs EEC = 16,946.00 ECUs ICCO= 15,346.00 EXCH. RATE= 27.5900		ECUs EEC =14,847.00 ECUs ICCO= 7,649.00 EXCH. RATE= 28.1295		ECUs EEC =58,145.00 ECUs ICCO= 6,554.00 EXCH. RATE= 27.8759		ECUs EEC =27,764.00 ECUs ICCO=22,496.00 EXCH. RATE= 28.5821		ECUs EEC =17,711.00 ECUs ICCO= 7,603.00 EXCH. RATE= 29.2916		ECUs EEC =73,581.00 ECUs ICCO= 9,154.00 EXCH. RATE= 30.0033	
	EEC	ICCO	EEC	ICCO	EEC	ICCO	EEC	ICCO	EEC	ICCO	EEC	ICCO
TRAINING												
STAFF COST	52,293.00	00.00	95,595.00	00.00	74,556.00	00.00	76,736.00	00.00	71,105.00	00.00	120,055.00	00.00
OPERATIONAL COST	124,226.00	5,013.00	32,044.00	7,090.00	86,290.00	6,671.00	42,514.00	12,533.00	27,075.00	4,555.00	132,353.00	00.00
MANAGEMENT COST	65,193.00	00.00	69,838.00	00.00	67,351.00	00.00	65,561.00	00.00	66,553.00	00.00	101,156.00	00.00
PURCHASES	10,703.00	00.00	10,757.00	00.00	71,143.00	00.00	311,404.00	00.00	18,582.00	00.00	13,477.00	00.00
DIRECT TRAINING COST	91,700.00	00.00	72,000.00	00.00	71,400.00	00.00	72,000.00	00.00	70,800.00	00.00	69,600.00	00.00
PRODUCTION												
STAFF COST	67,280.00	00.00	85,932.00	00.00	70,144.00	00.00	70,217.00	00.00	91,867.00	00.00	238,900.00	00.00
OPERATIONAL COST	13,381.00	12,904.00	11,645.00	6,811.00	37,670.00	8,844.00	61,667.00	16,274.00	72,604.00	8,322.00	288,345.00	00.00
MANAGEMENT COST	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00
PURCHASES	13,088.00	240,000.0	10,435.00	00.00	1,103,485.00	00.00	25,748.00	399,948.00	50,500.00	00.00	1,086,038.00	00.00
DIRECT PRODUCTION COST	00.00	158,715.0	00.00	191,978.00	00.00	158,727.00	00.00	200,314.00	00.00	207,411.00	00.00	274,646.00
MARKETING												
STAFF COST	19,556.00	00.00	22,307.00	00.00	22,760.00	00.00	33,271.00	00.00	20,137.00	00.00	36,448.00	00.00
OPERATIONAL COST	7,566.00	6,774.00	3,896.00	9,273.00	14,365.00	8,462.00	14,526.00	13,896.00	11,335.00	2,422.00	69,636.00	00.00
MANAGEMENT COST	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00
PURCHASES	2,541.00	00.00	3,200.00	00.00	251.00	00.00	19,904.00	00.00	16,738.00	00.00	45,620.00	00.00
DIRECT MARKETING COST	00.00	00.00	00.00	00.00	1,426.00	00.00	00.00	00.00	1,500.00	00.00	6,056.00	00.00
TRAINING CONTINGENCY	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00
EXCHANGE RATE FLUCTUATION	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00
T O T A L	**467,527.00**	**423,406.00**	**417,649.00**	**215,152.00**	**1,620,841.00**	**182,704.00**	**793,548.00**	**642,965.00**	**518,796.00**	**222,710.00**	**2,207,684.00**	**274,646.00**

5 FORECASE EXPENSES FROM 01-11-91 TO 30-04-92 ECUs ECUs EEC =202,350.00 ECUs ICCO= NIL EXCH. RATE = 22.78	EEC	ICCO
TRAINING		
STAFF COST	14,335.00	00.00
OPERATIONAL COST	16,445.00	00.00
MANAGEMENT COST	50,217.00	00.00
PURCHASES	3,750.00	00.00
DIRECT TRAINING COST	9,925.00	00.00
PRODUCTION		
STAFF COST	11,970.00	00.00
OPERATIONAL COST	10,158.00	00.00
MANAGEMENT COST	00.00	00.00
PURCHASES	35,185.00	00.00
DIRECT PRODUCTION COST	27,920.00	00.00
MARKETING		
STAFF COST	9,915.00	00.00
OPERATIONAL COST	5,930.00	00.00
MANAGEMENT COST	00.00	00.00
PURCHASES	00.00	00.00
DIRECT MARKETING COST	6,600.00	00.00
TRAINING CONTINGENCY	00.00	00.00
EXCHANGE RATE FLUCTUATION	00.00	00.00

6 INCOME CONTRIBUTED EXPENDITURE FROM 01-02-90 TO 31-10-91 ECUs EEC = 121,400.00 PAK. Rs. = 3,601,017.00 EXCH. RATE= 29.6624	PAK. RS.	ECUs
TRAINING	375,301.00	12,652.00
PRODUCTION	3,006,048.00	101,342.00
MARKETING	219,668.00	7,406.00

CASH SUMMARY	PAK. RS. EEC	PAK. RS. ICCO	ECUs EEC	ECUs ICCO
FUNDS RECEIVED	6,807,294.00	4,629,610.00	246,000.00	182,154.00
INTEREST ON BANK A/C	1,035.00	2,301.00	36.00	80.00
TOTAL CASH AVAILABLE	6,808,329.00	4,631,911.00	246,036.00	182,234.00
EXPEND. DURING YEAR	9,240,512.00	4,884,723.00	317,094.00	182,234.00
CASH BALANCE IN HAND	(2,432,183.00)	(52,812.00)	(71,058.00)	NIL
FORCAST EXPENSES FROM 1-10-91 TO 30-4-92	4,609,533.00	NIL	202,350.00	NIL
FUNDS REQUESTED	7,041,716.00	NIL	273,408.00	NIL

* Cloumn (6) = Income contributed from February 1st 1990 to October 31st 1990. The Expenditure is recorded under three budget line items as it was not forseen to be necessary to record the items spent from income in the format required for EEC and ICCO.

ANNEX B

I. C. C. O.

ANALYSIS OF PROJECT EXPENDITURE:
FINAL FINANCIAL STATEMENT

Project symbol.	Voca: Train: & Income Genera:
Project title.	PD-886 A/AZ903241
Project location.	Haripur & Ghazi Camps NWFP.

Implementing agency. THE SALVATION ARMY Afghan Refugee Assistance Project.

Reporting Period. 01-02-1990 To 31-10-1991

Agreement with I.C.C.O.	Total budget	
Original agreement in Hfl	393,037	00
Pak. Rs. @ 11.00 Hfl	4,323,407	00
1st year Budget. Rs.	2,817,870	00
2nd year Budget. Rs.	1,505,537	00

Summary of instalments received (PAK Rs.)					
01	17-05-90	1,133,456.00	07		
02	18-09-90	1,881,650.30	08		
03	06-03-91	1,814,503.19	09		
04			10		
05			11		
06			12		

Duration of Project

Commenced: 01-02-1990.

Terminated: 31-10-1991.

BUDGET LINE ITEM	TOTAL EXPENDITURE (by budget item) Currency: PAK Rs.	
TRAINING COST		
Staff cost.	213,627	96
Direct Training Cost.	136,700	00
Operational Cost.	4,087	00
Vehicle Rent & Maintenance.	57,824	00
PRODUCTION COST		
Management Cost.	128,301	40
Operational Cost.	183,935	23
Leather Supply.	1,353,198	00
Vehicle Rent & Maintenance.	62,117	00
DIRECT PRODUCTION COST		
Purchases/Supplies/Equipment.	134,445	00
Production Supply.	576,866	50
Producer's Wages.	1,978,569	50
Sub-total C/F	**4,830,171**	**59**

BUDGET LINE ITEM	TOTAL EXPENDITURE (by budget item) Currency: PAK Rs.	
Sub Total B/F	**4,830,171**	**59**
MARKETING COST		
Operational Cost.	2,885	00
Vehicle rent & Maintainance	51,667	00
TOTAL	**4,884,723**	**59**

For completion by implementing agency

SUMMARY

Total Funds received:	4,829,609.49
Total expenditure:	4,884,723.59
Balance:	* (55,114.10)

* contributed from Income A/C. 52,812.40
Interest on Bank A/C. 2,301.70
55,114.10

I hereby certify the correctness of this report:

Name: Abid Shehzad.
Title: Project Accountant.
Place: Peshawar.
Signature: [signature]
Date: 03-12-1991

Checked and verified, subject to the following:
monthly expenditure checks and ledger balances completed.

Name: Captain Ivor S. Telfer.
Title: Director.
Signature: [signature]
Date: 03-12-1991

ANNEX C

SALVATION ARMY REFUGEE ASSISTANCE PROJECT
PHONE 44779

QUANTITATIVE REPORT
IST NOVEMBER 1990 TO 31ST OCTOBER 1991

(AMOUNT IN PAK RUPEES)

GENERAL QUANTITATIVE SUMMERY:

	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	TOTAL
I - PRODUCTION:													
NUMBER PRODUCERS EARNED	272	148	153	132	229	303	321	389	314	339	314	345	272
TOTAL WAGES PAID TO PRODUCERS	112906	137799	102770	121964	124252	105932	158715	191978	158727	200314	207411	274646	1897414
VALUE OF ITEMS PRODUCED	570171	295777	408654	494969	412515	210602	560498	579750	416984	754246	692502	675533	6072201
II - TRAINING:													
NUMBER TRAINEES ENROLLED	80	63	177	129	1	70	119	44	128	131	14	47	1003
NUMBER TRAINEES DROPED	0	0	0	27	40	20	4	14	2	7	19	4	137
NUMBER TRAINEES GRADUATED	0	66	84	0	30	82	2	139	122	101	45	275	946
III -MARKETING:													
VALUE OF ITEMS SOLD	0	359706	58228	87722	107984	116499	89527	173927	302080	566683	195558	422722	2480636

* AVERAGE PER MONTH

SUMMARY SHEET

PROJECT TITLE:	VOCATIONAL TRAINING AND INCOME GENERATING PROJECT. EEC REF. ALA/A/3/90 ICCO REF. AZ 903241 SALVATION ARMY REF.PD 886(A&B)
IMPLEMENTED BY:	THE SALVATION ARMY AFGHAN REFUGEE ASSISTANCE PROJECT.
LOCATION:	HARIPUR/GHAZI REFUGEE CAMPS HAZARA DIVISION, NWFP PAKISTAN.
SECTION:	VOCATIONAL TRAINING AND INCOME GENERATING.
PROJECT PERIOD:	EEC - 1ST NOVEMBER 1990 TO 31ST OCTOBER 1993 ICCO - 1ST FEBRUARY 1990 TO 31ST OCTOBER 1991
COST OF PROJECT:	EEC ECU'S 600,000.00 ICCO ECU'S 191,000.00 INCOME ECU'S 93,746.00 ------------------------ TOTAL ECU'S 884,746.00 ========================
NUMBER OF BENEFICIARIES:	PRODUCERS 360 TRAINEES 520 STAFF 75 ------------------- TOTAL: 955 ===================
DATE COVERED BY THIS REPORT:	IST MAY 1991 TO 31ST. OCTOBER 1991

GENERAL QUANTITATIVE REPORT:

I - PRODUCTION:	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	TOTAL
TANNERY:													
Number skins processed in tannery	1661	1052	1801	1600	1567	704	2496	2000	1000	2759	2349	1700	20689
Value of skins produced	138029	100992	174699	156800	141030	70259	249600	200000	98000	248310	185571	110500	1873790
Amount paid to producers	30100	30000	32100	33224	34672	35400	36800	36800	34870	34104	35600	35800	409470
Number benificiries in tannery	22	22	24	25	26	26	27	27	25	25	25	25	25 *
LEATHER PRODUCTION CENTER:													
Quantity produced	1327	1188	1097	1579	1280	455	1367	1773	1893	1802	1770	2420	17951
Value of items produced	240785	150516	194630	291000	217410	55775	245480	263040	216345	293305	285575	330420	2784281
Amount paid to benificiries	45008	31919	39551	61681	44830	16200	52555	57802	47099	64785	53461	67402	582293
Number of benificiries	43	45	44	42	41	43	44	46	45	46	45	45	44 *
CARPET:													
FT.SQ carpet produced	197	166	40	20	24	168	237	499	314	585	823	995	4068
Value of carpet produced	28853	23600	8203	3990	5724	28885	39367	80392	47846	93506	131200	179145	670711
Amount paid to producers	19069	13390	6385	2643	5626	22450	28947	48557	31567	59229	77594	85391	400848
Number benificiries	20	21	7	10	15	39	45	56	39	54	64	49	35 *
GILLIM:													
Sq.FT Gillim produced	447	836	116	314	1534	1157	1550	2362	1490	620	469	722	11617
Value gillim produced	7029	14169	2472	5114	21971	16154	19921	31048	20313	9095	13996	27358	188640
Amount paid to producers	3129	6551	1404	2478	11585	8099	10850	16534	10430	4620	7497	14843	98020
Number benificiries	20	21	6	6	54	40	50	78	50	22	30	30	34 *

* AVERAGE PER MONTH

SOAP:

Quantity soap produced	569	181	489	667	698	638	613	527	3448	11003	7616	2811	29260
Value of soap produced	6590	1810	4890	6670	6980	6380	6130	5270	34480	110030	76160	28110	293500
Amount paid to producers	15600	17550	17550	14470	15720	15840	16500	14740	18360	18405	19125	20655	204515
Number benificiries	19	19	20	20	20	20	20	20	20	20	20	20	20 *

EMBROIDERY:

Quantity Emb. produced	768	68	172	26	119	163	0	0	0	0	0	0	1316
Value of emb. produced	148885	4690	23760	31395	19400	33149	0	0	0	0	0	0	261279
Amount paid to producers	0	38389	5780	7468	11819	7943	13063	17545	16401	19171	14134	50555	202268
Number benificiries	148	20	52	29	73	135	135	162	135	172	130	176	114 *

* AVERAGE PER MONTH

II - TRAINING:

KITCHEN GARDENING: (HARIPUR)	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	TOTAL
Number trainees enrolled	0	0	30	0	0	30	0	0	30	0	0	30	120
Number trainees droped	0	0	0	0	0	0	0	0	0	0	0	0	0
Number trainees in class	0	0	30	30	30	30	30	30	30	30	30	30	300
Number trainees graduated	0	0	0	0	30	0	0	30	0	0	30	0	90
FOOD PRESERVATION: (HARIPUR)													
Number trainees enrolled	80	0	0	80	0	0	100	0	0	100	0	0	360
Number trainees droped	0	0	0	0	0	0	0	0	0	0	0	0	0
Number trainees in class	80	30	80	80	80	80	100	100	100	0	100	100	980
Number trainees graduated	0	0	80	0	0	80	0	0	100	100	0	100	460
TAILORING TRAINING: (FEMALE)													
Number trainees enrolled	0	36	0	25	0	2	1	29	29	20	0	0	142
Number trainees droped	0	0	0	6	2	1	0	0	0	0	0	0	9
Number trainees in class	0	36	36	55	53	54	56	56	56	56	56	56	570
Number trainees graduated	0	0	0	0	0	0	0	0	20	0	0	56	76
CARPENTERY: (GHAZI & HARIPUR)													
Number trainees enrolled	0	20	10	6	0	14	5	5	22	0	3	5	90
Number trainees droped	0	0	0	3	14	6	2	3	2	0	6	0	36
Number trainees in class	10	30	40	39	25	33	36	39	40	39	36	36	403
Number trainees graduated	0	0	4	0	0	2	2	19	0	1	5	20	53

WELDING: (GHAZI & HARIPUR)

Number trainees enrolled	0	4	42	2	0	9	3	6	26	0	9	5	106
Number trainees droped	0	0	0	2	9	3	1	5	0	0	11	4	35
Number trainees in class	26	30	46	46	37	43	45	39	42	42	40	39	475
Number trainees graduated	0	26	0	0	0	0	0	30	0	0	3	21	80

HARIPUR (SHOPS):

Number trainees enrolled	0	0	40	7	0	5	6	2	1	0	0	0	61
Number trainees droped	0	0	0	7	2	9	1	4	0	0	0	0	23
Number trainees in class	40	40	40	40	38	34	40	39	40	40	40	40	471
Number trainees graduated	0	40	0	0	0	0	0	40	0	0	0	40	120

GHAZI (SHOPS):

Number trainees enrolled	0	0	24	4	0	2	3	0	0	7	0	0	40
Number trainees droped	0	0	0	4	5	0	0	0	0	5	0	0	14
Number trainees in class	0	0	24	24	19	21	22	22	22	24	24	24	226
Number trainees graduated	0	0	0	0	0	0	0	0	0	0	0	24	24

LEATHER TRAINING: (HARIPUR)

Number trainees enrolled	0	0	20	4	0	7	0	2	8	3	2	7	53
Number trainees droped	0	0	0	4	7	0	0	2	0	1	2	0	16
Number trainees in class	0	0	20	20	13	20	20	20	20	20	20	20	193
Number trainees graduated	0	0	0	0	0	0	0	8	2	0	7	0	17

METAL WORK: (GHAZI)

Number trainees enrolled	0	3	11	1	1	1	1	0	12	1	0	0	31
Number trainees droped	0	0	0	1	1	1	0	0	0	1	0	0	4
Number trainees in class	0	3	14	14	14	14	14	14	14	14	14	14	143
Number trainees graduated	0	0	0	0	0	0	0	12	0	0	0	14	26

III- MARKETING:

	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	TOTAL
Leather items sold	0	297792	56558	59630	78575	59825	54703	89827	293275	502960	179278	350540	2022963
Embroidery items sold	0	39022	1210	17197	17692	23245	27084	28045	8780	49008	15810	56462	283555
Carpet sold	0	22792	460	10415	9645	1100	7740	36073	25	13155	470	7150	109025
Gillim sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Soap sold	0	100	0	480	380	19750	0	12640	0	1420	0	280	35050
Other	0	0	0	0	1692	12579	0	7342	0	140	0	8290	30043
TOTAL:	0	359706	58228	87722	107984	116499	89527	173927	302080	566683	195558	422722	2480636

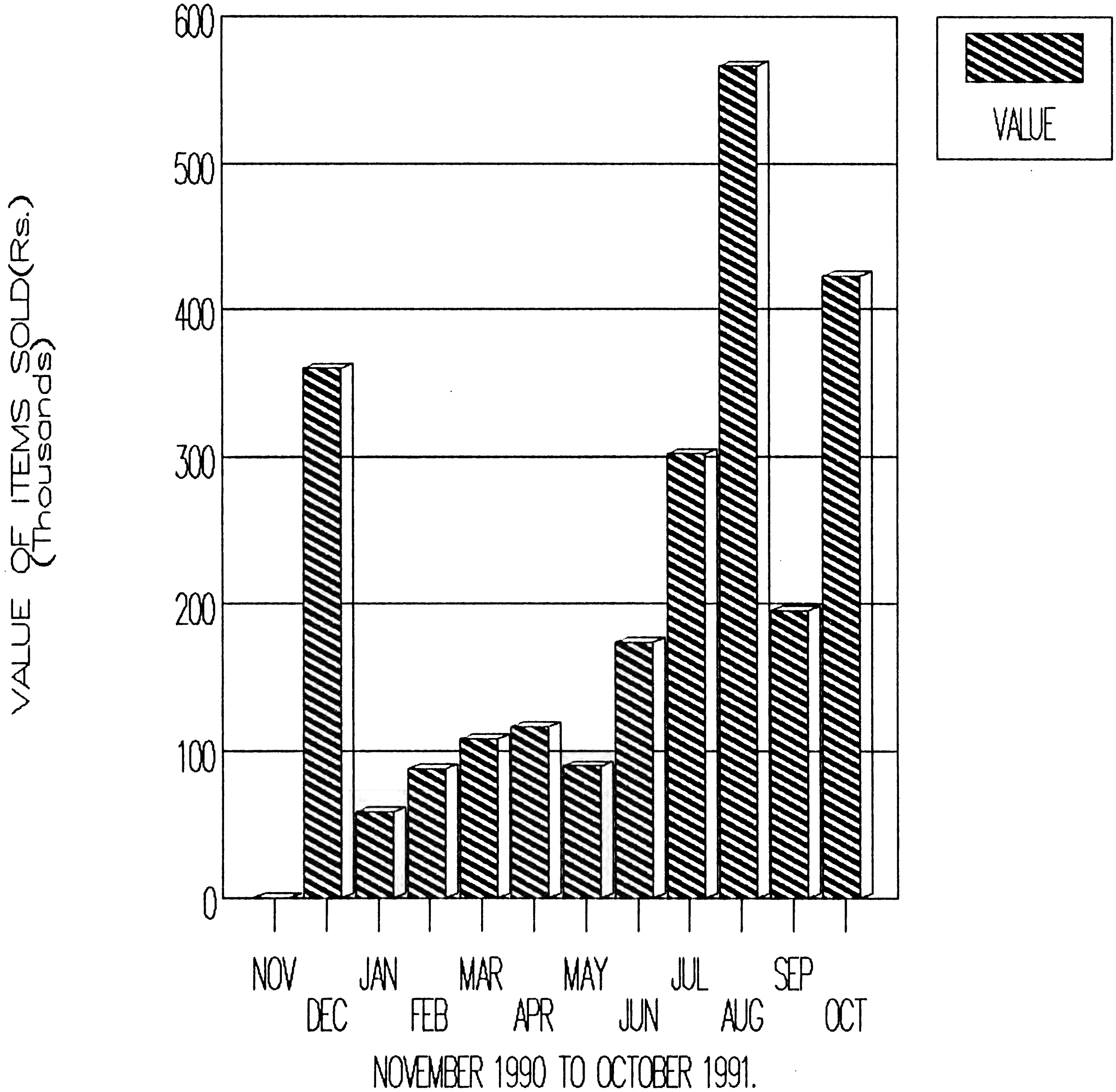
* AVERAGE OF PRODUCERS EVERY MONTH

TRAINING PROGRAMME

MONTH	TRADE / DETAILS	KITCHEN GARDENING HPR	KITCHEN GARDENING GHA	FOOD PRESERVAT HPR	FOOD PRESERVAT GHAZ	TAILORING TRAINING HPR	TAILORING TRAINING GHAZ	CARPENTERY HPR	CARPENTERY GHAZ	WELDING HPR	WELDING GHAZ	AUTO MECHA. SHOP HPR	AUTO MECHA. SHOP GHAZ	LEATHER TRAINING HPR	LEATHER TRAINING GHAZ	METAL WORK TRAINING HPR	METAL WORK TRAINING GHAZ	TOTAL
TRAINEES B.FWD.		30	-	80	-	20	34	14	19	28	15	34	21	20	-	-	14	329
MAY. 91	ENROLLED	-	-	100	-	-	1	3	2	2	1	6	3	-	-	-	1	119
	DROPED	-	-	-	-	-	-	2	-	1	-	1	-	-	-	-	-	4
	IN CLASS	30	-	100	-	20	36	17	19	29	16	40	22	20	-	-	14	363
	GRADUATED	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	2
JUN. 91	ENROLLED	-	-	-	-	-	29	5	-	6	-	2	-	2	-	-	-	44
	DROPED	-	-	-	-	-	-	3	-	5	-	4	-	2	-	-	-	14
	IN CLASS	30	-	100	-	20	36	20	19	20	19	39	22	20	-	-	14	359
	GRADUATED	30	-	-	-	-	-	5	14	17	13	40	-	8	-	-	12	99
JULY. 91	ENROLLED	30	-	-	-	-	29	7	15	13	13	1	-	8	-	-	12	128
	DROPED	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	2
	IN CLASS	30	-	100	-	20	36	20	20	26	16	40	22	20	-	-	14	364
	GRADUATED	-	-	100	-	20	-	-	-	-	-	-	-	2	-	-	-	122
AUG. 91	ENROLLED	-	-	100	-	20	-	-	-	-	-	-	7	3	-	-	1	131
	DROPED	-	-	-	-	-	-	-	-	-	-	-	5	1	-	-	1	7
	IN CLASS	30	-	100	-	20	36	19	20	26	16	40	24	20	-	-	14	365
	GRADUATED	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1
SEP. 91	ENROLLED	-	-	-	-	-	-	3	-	9	-	-	-	2	-	-	-	14
	DROPED	-	-	-	-	-	-	6	-	11	-	-	-	2	-	-	-	19
	IN CLASS	30	-	100	-	20	36	16	20	24	16	40	24	20	-	-	14	360
	GRADUATED	30	-	-	-	-	-	5	-	3	-	-	-	7	-	-	-	45
OCT. 91	ENROLLED	30	-	-	-	-	-	5	-	5	-	-	-	7	-	-	-	47
	DROPED	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	4
	IN CLASS	30	-	100	-	20	36	16	20	23	16	40	24	20	-	-	14	359
	GRADUATED	-	-	100	-	20	36	-	20	5	16	40	24	-	-	-	14	275

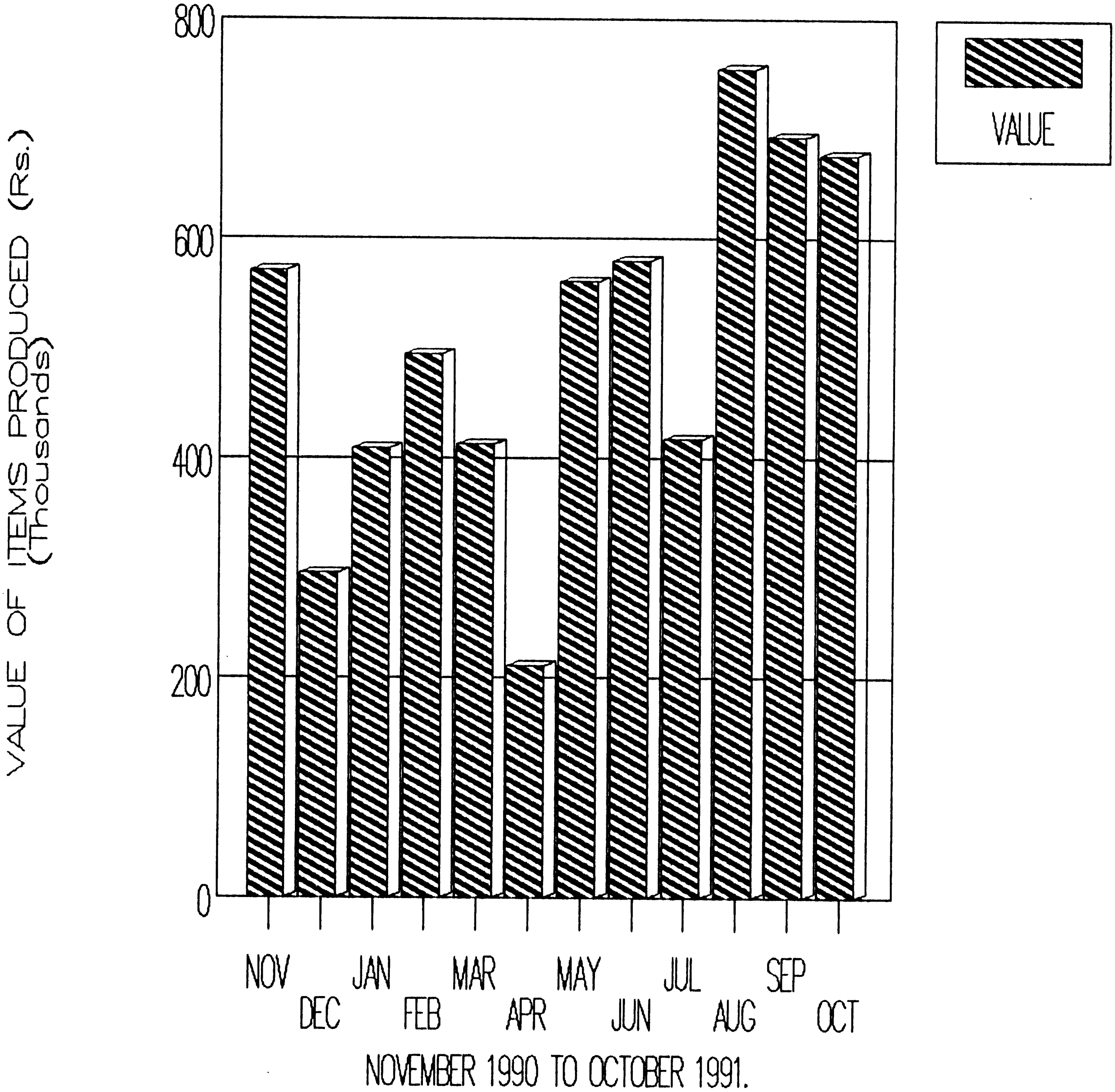
TOTAL OF ALL ITEMS SOLD

BY INCOME GENERATION PROJECT

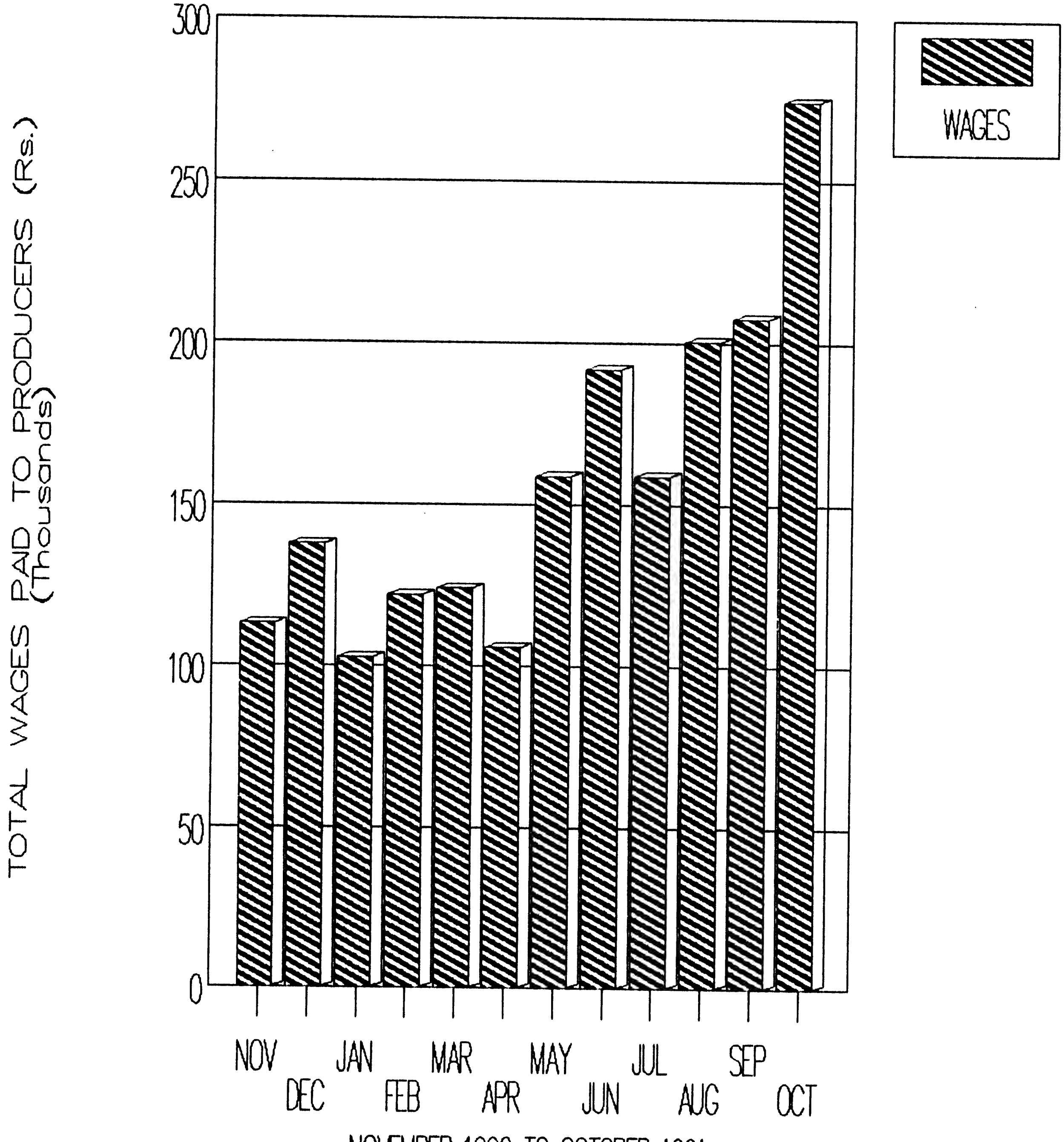


TOTAL VALUE OF ALL ITEMS PRODUCED

BY INCOME GENERATION PROJECT



WAGES PAID TO PRODUCERS



EXECUTIVE SUMMARY

In introducing this Second Interim Report on the vocational training and income generation activities of The Salvation Army Afghan Refugee Assstance Project, I wish to thank our donors for their continuing support to us, namely

Commission of the European Communities (CEC)

and

Interchurch Co-ordination Committee for Development Projects of the Netherlands (ICCO)

Your support has enabled us to assist what is still the world's largest refugee population estimated at 3.5 million in Pakistan.

The Afghan cause has largely been forgotton or ignored by many people, particularly due to other world refugee situations and also due to the much publicised disagreements between the Afghans themselves. The Salvation Army therefore are especially grateful to the donors for their continued assistance to enable us to work with and for the Afghans.

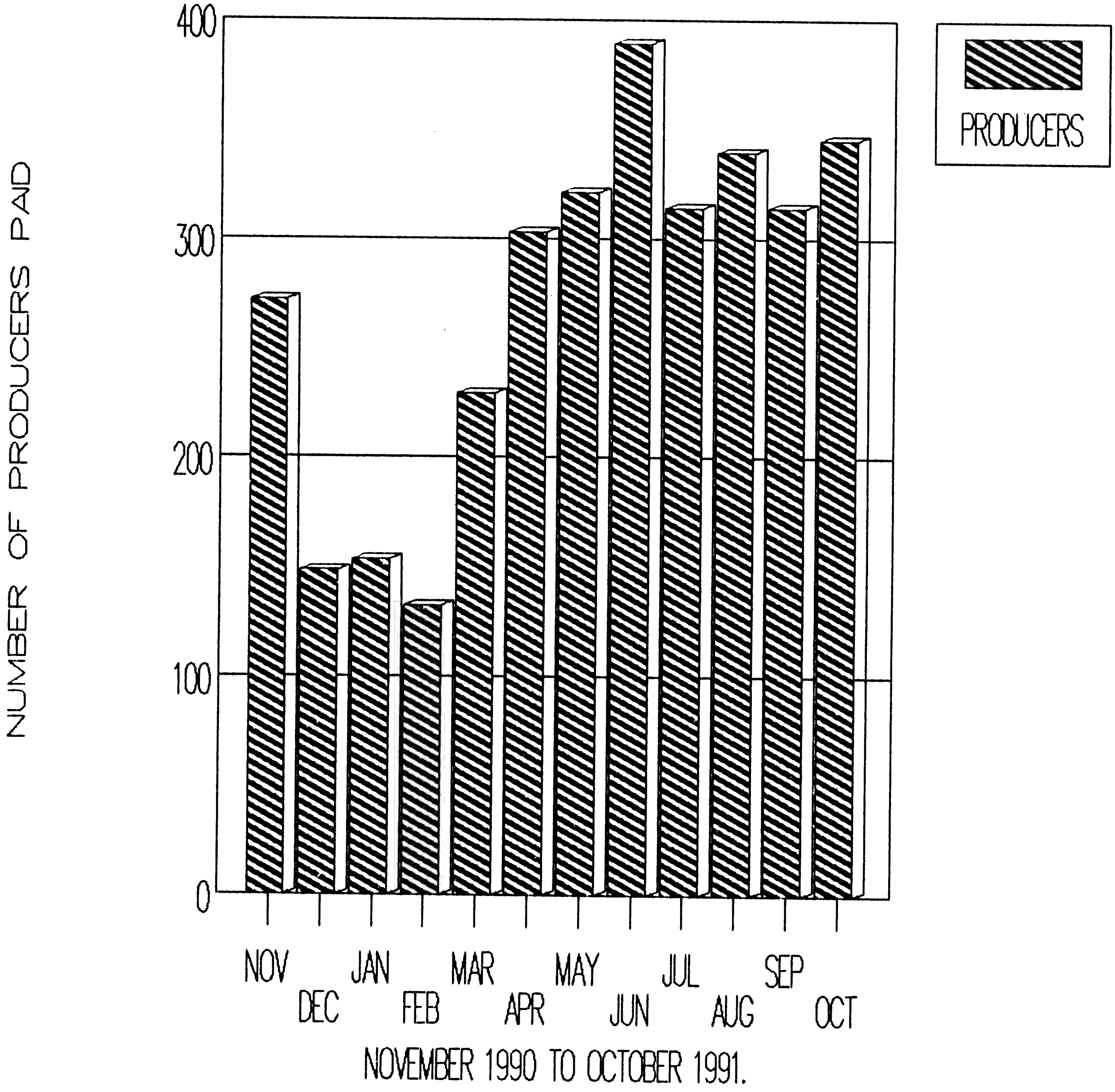
Since the last Interim Report, the project has continued without any major problems. An average of 337 producers have been employed every month and 344 trainees have graduated during this period, while 66 staff members have been employed in the implementation of the project.

The total number of graduated trainees since 1st. November 1990 is 516 which means that the families of these trainees now have a skilled person who can earn income for them, the direct beneficiaries being approximately 3,612 people from these families.

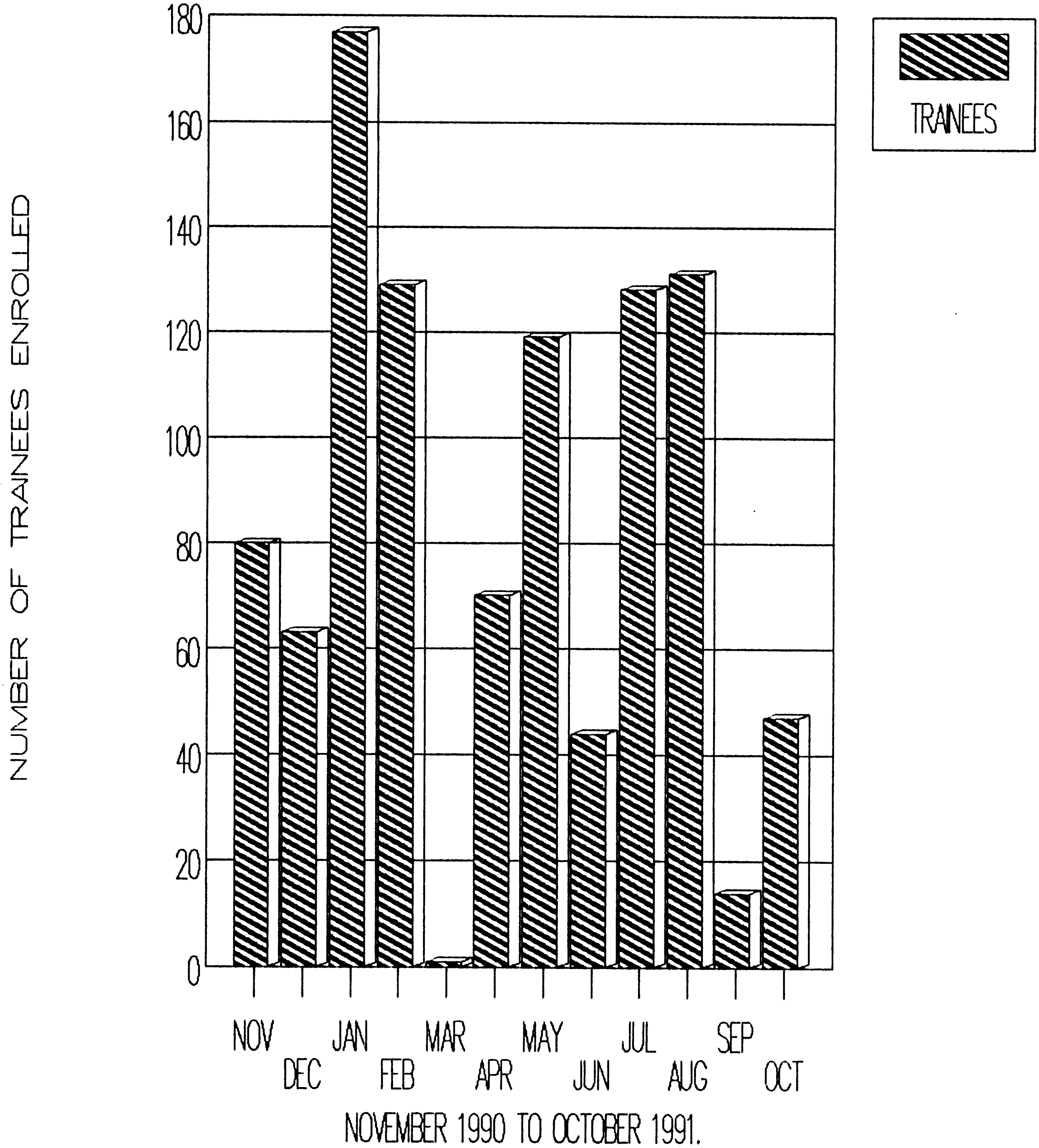
In the production programme, an average wage of approximately Rs.600 per month has been earned by each producer, approximating to 12 full days of casual labour every month. The direct beneficiaries from the production programme are in the region of 2,359 people from the families of the producers. The value of the items produced in this programme over the last six months is Rs.3,679,513 and the sales during the same period amount to Rs.1,750,497.

PRODUCERS BEING PAID

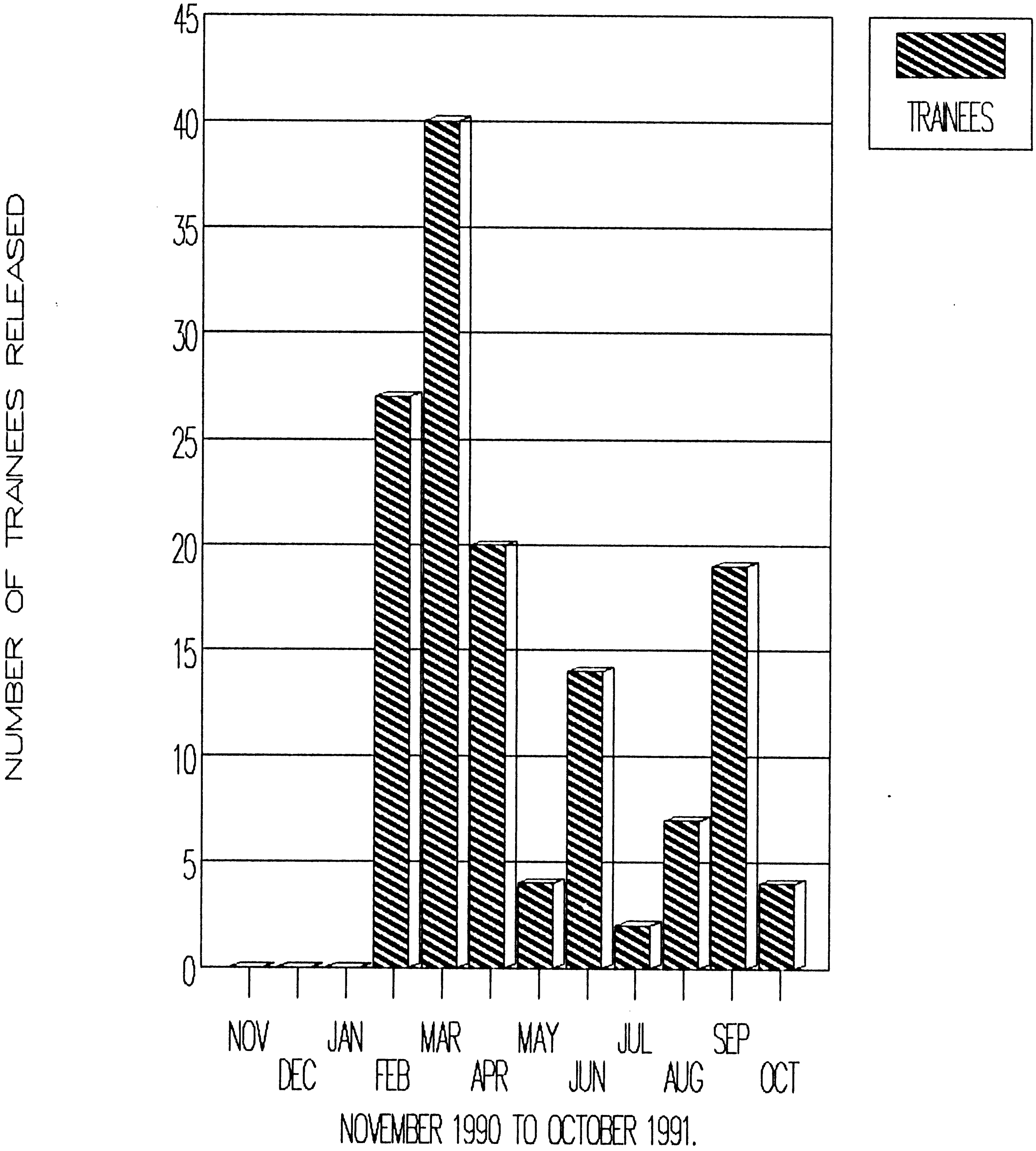
BY PROJECT



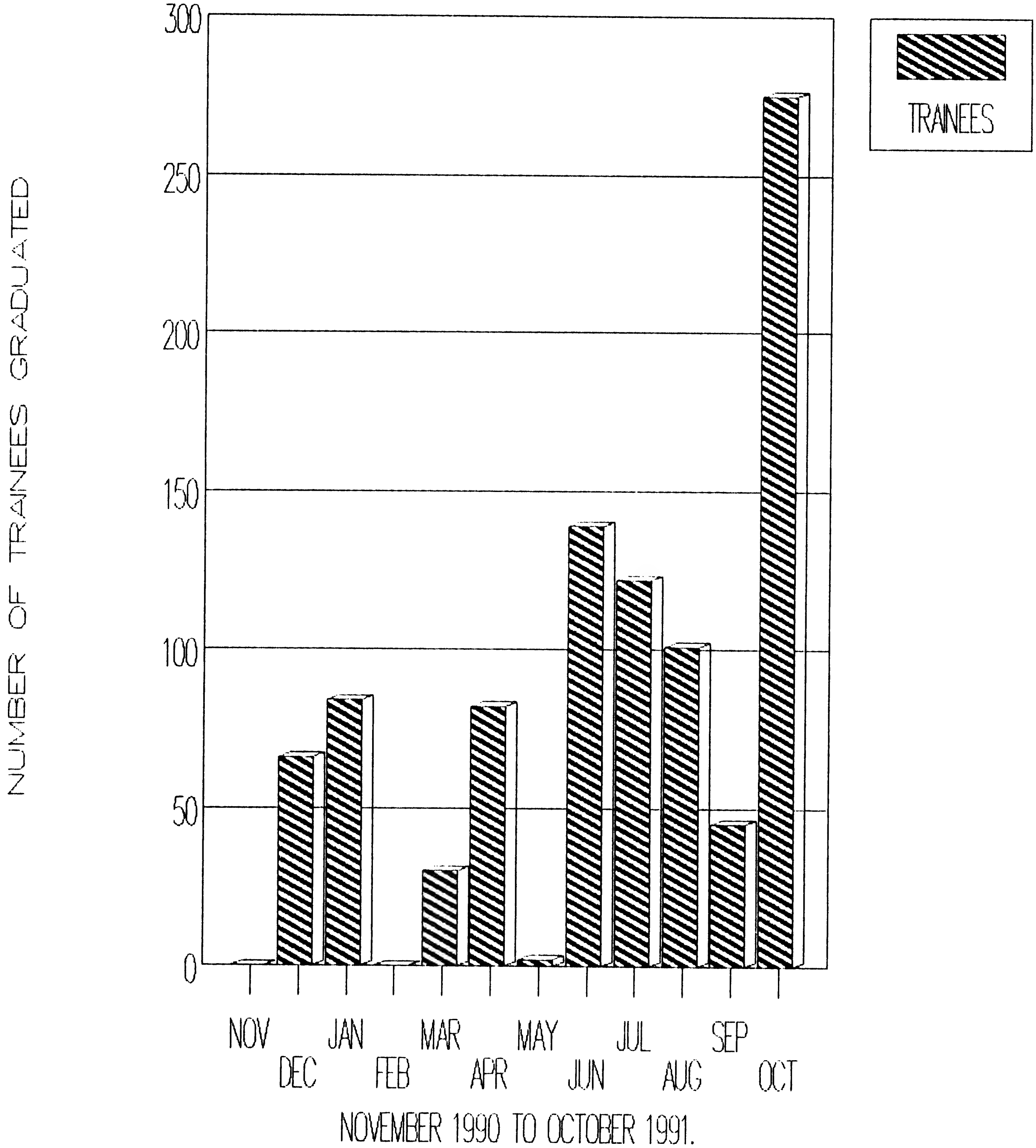
TRAINEES ENROLLED



TRAINEES RELEASED



TRAINEES GRADUATED



ANNEX F

PAKISTAN 10 RS.

TEN RUPEES دس (۱۰) روپیہ

پاکستان

LEGAL CONSTITUTION

OF

AFGHAN DEVELOPMENT AGENCY

Peshawar,
30th May, 1990.

THE CONSTITUTION

INTRODUCTION

Due to the war in Afghanistan over the last ten years, much destruction to life, land, property and infrastructure has been caused. There is therefore a need for long term reconstruction work to commence in Afghanistan. Much of this work can be implemented by relatively small NGOs which can become part of Afghan society, together with input by international and United Nations organisations.

We, a group of Afghans with experience in the planning and implementation of development projects, have come together and have now formed the

AFGHAN DEVELOPMENT AGENCY (ADA)

to assist the people of Afghanistan in the rehabilitation of the rural economy by implementing and establishing various multi-sectorial development projects in poor rural areas.

ADA is a non profit, non government, non political organisation, created to enable Afghans to help themselves in meeting their future requirements in the areas of health, agriculture, income generation, construction and vocational training.

I. The name of the organisation shall be AFGHAN DEVELOPMENT AGENCY (hereinafter referred to as ADA).

II. The objectives of ADA are as follows:-

i) to initiate and implement development projects in Pakistan and/or Afghanistan in the sectors of health, agriculture, income generation, vocational training and construction in the refugee camps and in Afghanistan.

ii) to provide relief and emergency assistance during and after the refugee repatriation from Pakistan and Iran.

Contn'd 2

PAKISTAN 5 RS.

FIVE RUPEES پاکستان پانچ روپیہ (۵)

III. The operational procedures of ADA shall be formulated by the Board of Directors (hereinunder referred to as the Board).

IV. The registered office of ADA shall be at House No:T-1914, near Naseem Motors, Jamrud Road, Peshawar.

V. ADA shall be eligible to receive grants and donations from any individuals or institutions or governments to enable it to implement various development projects in Pakistan or in Afghanistan.

VI. ADA shall have legal identity to sign contracts and agreements in Pakistan and in Afghanistan according to the law practiced in the relevant country and/or relevant International Law.

VII. ADA shall work according to the policies of the appropriate Government and shall formulate its own operational procedures which will not contradict the legal requirements in the country of operation.

Contn'd 3

PAKISTAN 5RS.

FIVE RUPEES

STRUCTURE OF AFGHAN DEVELOPMENT AGENCY

VIII. BOARD OF DIRECTORS

a) a board of directors shall be formed consisting of not less than eight and not more than fifteen members.

b) each member of the board shall be either the director of a department, the managing director, or be a person elected by three quarters of the full board.

c) every board member shall have one vote and every policy shall be decided on a majority of one except the following polices which shall be decided by three quarters of the full board:-

i) electing / expelling board members.
ii) electing Managing Director.
iii) amendments to the Constitution.
iv) dissolution of ADA.
v) commencement of new activities not mentioned herein.
vi) setting aims and achievements for next month/quarter.

d) board members shall lose their position automatically if:-

i) they resign from the board.
ii) they join or commence another organisation without the prior approval of three quarters of the full board.
iii) they are involved in any illegal, subversive or questionable activity.

e) the board shall have an Annual General Meeting (AGM) not later than three months after the end of the fiscal year to decide on:-

i) appointment of auditor for next fiscal year.
ii) discussion of the annual report.
iii) election of board members.
iv) election of managing director (if appropriate).
v) agreement of financial statement.
vi) approval of annual plan and budget.

Contn'd 4

f) the board meeting shall be called by the secretary to the Managing Director, giving one week's written notice of the time, date and venue for the board meeting.

g) the secretary shall call a board meeting on the request of the Managing Director or three of the board members.

h) the board must meet at least once every three months, excluding the AGM.

i) the Managing Director shall also be the chairman of the Board.

j) the permanent members of the board shall be those who hold the following office:-

i) Managing Director.
ii) Financial Director.
iii) Administration Director.
iv) Production Director.
v) Marketing Director.
vi) Training Director.
vii) Development Director.

k) the Managing Director shall hold office for five years except:-

i) if he ceases to work for the agency.
ii) if he is removed by three quarters of a full board.
iii) if he is involved in any subversive or illegal activities.
iv) if he commences another agency or works for another agency without the prior consent of 100% of a full board.
v) if the Agency fails for two consecutive years to achieve it objectives due to the negligence of the Managing Director - this negligence must be certified by an independent arbiter elected by three quarters of the full board, excluding the Managing Director.

IX. <u>ADMINISTRATION</u>

a) All development and relief operations undertaken by ADA shall be directed by the Managing Director who is responsible for these operations to the Board of Directors.

Contn'd 5

b) The Managing Director is legally responsible to the donors for the correct use and recording of funds entrusted to ADA.

c) The Managing Director is responsible for ensuring that all ADA operations are within and conform to the mandates issued by the Board of Directors.

d) The Managing Director is assisted in the performance of his duties by six Directors as detailed in Section VIII, item j, Sections ii) to vii).

e) The Directors mentioned in IX, item d above, are legally responsible jointly and severally with the Managing Director for the correct use and recording of funds entrusted to ADA.

f) The Directors mentioned in IX, item d above are responsible equally with the Managing Director for ensuring that all ADA operations are within and conform to the mandates issued by the Board of Directors.

g) The Managing Director, on the advice of the Directors mentioned in VIII, item j, Sections ii) to vii) is responsible for the hiring and firing of all staff up to the level of Director.

h) The Managing Director, after prior approval of the Board of Directors, shall sign all agreements with donors and other bodies.

i) In his absence, the Managing Director can delegate responsibilities to another Board member with the prior approval of the Board of Directors.

X. <u>FINANCE</u>

a) All records and accounts shall be kept in accordance with the legal requirements of the country of operation and in accordance with the donors requirements.

b) The books of the agency shall be audited by a recognised firm as nominated by the Board of Directors at the AGM.

c) The books of agency shall be open for audit by the donor with one week prior notice being given by the donor.

d) All cheques shall bear the signature of the Managing Director and one of the Financial Director and Administration Director.

Contn'd 6

In the previous report, the problem was highlighted about the "drop-out" of trainees from the training programme, being 87 during that period. We are pleased to report that this figure has decreased during the second six months to 50 trainees dropped.

Unfortunately however, we are no nearer being able to identify a specific cause for this but would refer to the three probable causes as

a) the availability of casual labour from the surrounding areas at the rate of Rs.50 per day (the training stipend is Rs.300 per month) and /or

b) the discipline imposed by the training staff that the trainees must regularly attend the training sessions and/or

c) other family committments.

The creation of Afghan Development Association(ADA), an indigenous Afghan non-governmental organisation from within The Salvation Army programme was effected on 31st. October 1990. We are pleased to report that ADA has received funding for the following projects during its first year of operations :-

1) Irrigation rehabilitation in one location in Afghanistan
2) Seed and fertilizer distribution in three locations in Afghanistan
3) A survey project in three provinces
4) Provision of fruit trees in one location in Afghanistan

These projects are funded by Food and Agriculture Organisation of the U.N. (FAO), United Nations Development Programmes (UNDP), the Canadian Local Initiatives Fund for Development through CIDA and Norwegian Refugee Council/Norwegian Church Aid.

Other projects have been submitted for income generation and vocational training together with a large integrated rural development project for four districts in three provinces of Afghanistan. Two major donors have already tentatively agreed to fund parts of this project with another three major donors showing interest in funding the remainder.

PAKISTAN 5 RS.

FIVE RUPEES پاکستان روپیہ (۵) پانچ

XI. AMENDMENTS

a) Any of the sections of this Constitution may be amended, deleted or new sections added by note of three quarters of a full board Section VIII, item c) iii) refers.

b) No amendments to the rules are valid until after their acceptance by the Board of Directors.

XII. DISSOLUTION

a) ADA may be dissolved by the consent of three quarters of the full board members. Section VIII, c) iv) refers.

b) Any liabilities outstanding at the time of dissolution shall be the responsibility of the Managing Director and Directors as authorised in Section IX e) above.

c) Any assets remaining after the satisfaction of the liabilities referred to in Section XII, b) above shall be transferred to such charitable body as agreed by three quarters vote of a full Board.

XIII. DISPUTES

a) Any disputes in ADA which cannot be resolved within the Agency shall be referred to the relevant legal professionals in the country of operation.

PAKISTAN 5 RS.

FIVE RUPEES

پاکستان

پانچ روپیہ (۵)

CONSTITUTION

MR. GHULAM JELANI POPAL,
MANAGING DIRECTOR.

MR. ABDUL SAMAD,
TRAINING DIRECTOR.

MR. MOHAMMAD NAZIR GHAMGUSAR,
PRODUCTION DIRECTOR.

MR. ABU MUSLIM SIDDIQUI,
FINANCE DIRECTOR.

MR. ABDUL SALAM KAKAR,
DESIGNER.

MR. MOHAMMAD SULAIMAN,
MARKETING DIRECTOR.

MR. QADIR POPAL (ENGINEER),
OPERATION MANAGER SCF (U.S).

MRS. GUL JAN NEKYAR,
MANAGER FOOD PRESERVATION,
HARIPUR.

SYED MEHMOOD ASGHAR,
WITNESS.

MR. SHAKEEL CHANDER,
WITNESS.

PAKISTAN 5 RS.

FIVE RUPEES

CONSTITUTION

MR. GHULAM JELANI POPAL,
MANAGING DIRECTOR.

MR. ABDUL SAMAD,
TRAINING DIRECTOR.

MR. MOHAMMAD NAZIR GHAMGUSAR,
PRODUCTION DIRECTOR.

MR. ABU MUSLIM SIDDIQUI,
FINANCE DIRECTOR.

MR. ABDUL SALAM KAKAR,
DESIGNER.

MR. MOHAMMAD SULAIMAN,
MARKETING DIRECTOR.

MR. QADIR POPAL (ENGINEER),
OPERATION MANAGER SCF (U.S).

MRS. GUL JAN NEKYAR,
MANAGER FOOD PRESERVATION,
HARIPUR.

SYED MEHMOOD ASGHAR,
WITNESS.

MR. SHAKEEL CHANDER,
WITNESS.

THE SALVATION ARMY

Afghan Refugee Assistance Project
PAKISTAN

PASS THROUGH AGREEMENT

BETWEEN

THE SALVATION ARMY, PAKISTAN

AND

AFGHAN DEVELOPMENT ASSOCIATION

October, 1991.

THE SALVATION ARMY

Afghan Refugee Assistance Project

PAKISTAN

PREAMBLE TO PASS THROUGH AGREEMENT BETWEEN THE SALVATION ARMY, PAKISTAN AND AFGHAN DEVELOPMENT ASSOCIATION REGARDING THE PASS THROUGH OF FUNDS FROM THE COMMISSION OF THE EUROPEAN COMMUNITIES TO THE SALVATION ARMY ON CEC CONTRACT NO. ALA/A/3/90.

The Salvation Army, Pakistan, hereinafter referred to as SA, signed an agreement with the Commission of the European Communities, hereinafter referred to as CEC, on 25th. October 1990.

This agreement commenced on 1st. November 1990 for a period of three years for the sum of ECUs884,746, SA contributing ECUs284,746 (including contribution from ICCO - Interchurch Coordination Council for Development Projects - of ECUs191,000) while CEC contribution is ECUs600,000.

As from 1st. November 1991, SA will not implement the project described in ALA/A/3/90, hereinafter referred to as Vocational Training & Income Generation (VTIG) but from that date Afghan Development Association, hereinafter referred to as ADA will implement the VTIG project, responsible to SA.

Funds will be received by SA from CEC and these funds will be transferred to the bank account of ADA who will then implement the project and report narratively and financially to SA. SA will in turn report narratively and financially to CEC as per the original project agreement between CEC and SA.

This purpose of this agreement is to detail the responsibilities of SA and of ADA during the pass through period, commencing on 1st. November 1991 and concluding on 31st. October 1993 or earlier as mutually agreed by SA and ADA.

THE SALVATION ARMY

Afghan Refugee Assistance Project
PAKISTAN

PASS THROUGH AGREEMENT

PREAMBLE
The purpose of this Pass Through Agreement (hereinafter known as PAG) is to detail the responsibilities of The Salvation Army (hereinafter known as SA) and the Afghan Development Association (hereinafter known as ADA) during the period of the pass through of funds from Commission of the European Communities (hereinafter known as CEC) through SA for ADA to implement.

The funds which are to be passed through in this PAG relate to the CEC Project Reference ALA/A/3/90, SA Reference PD 886B. This Pass Through Agreement will be valid from 1st. November 1991 until 31st. October 1993 or earlier by mutual agreement of SA and ADA or by the undernoted Terms and Conditions.

TERMS AND CONDITIONS

I. LEGAL IDENTITY

a) this PAG is between, on the one part :-

The Salvation Army, Territorial Finance Board, Pakistan, located at 35 Shahrah-e-Fatima Jinnah, Lahore

and on the other part :-

Afghan Development Association, Board of Directors as detailed in the Constitution of Afghan Development Association (nee Agency) dated 31st. October 1990, Section VIII, j),i) to vii) inclusive. The authorised signatories on behalf of the ADA Board for the purpose of this PAG are the following :-

Managing Director
Financial Director
Administration Director

as per the minutes of the ADA Board Meeting dated 19th. September 1991.

b) this PAG becomes valid from the closure of business of The Salvation Army Afghan Refugee Assistance Project on 31st. October 1991 at 4pm. Pakistan Standard Time.

c) this PAG remains in force until :-

i) terminated by mutual agreement of SA and ADA,

ii) terminated by either party not adhering to the terms and conditions described herein,

iii) the date of termination herein referred to.

iv) Section VIII, TERMINATION of this PAG.

d) the attached CONTRACT BETWEEN THE SALVATION ARMY AND COMMISSION OF THE EUROPEAN COMMUNITIES Reference MSAM/SA/9003/con dated 25th. October 1991, pages 1 to 11 inclusive and the Budget Summary attached form part of this PAG and the terms and conditions therein now become equally binding on ADA.

e) the Constitution of ADA attached to this PAG forms part of this document

II. PROJECT IMPLEMENTATION

a) the VTIG programme is to be implemented by ADA in accordance with the Six Months Work Plan. The conditions of this Work Plan (hereinafter referred to as WP and the date of the document) are as follows :-

i) the WP will detail the work to be carried out during the six monthly periods as follows :-

a) PERIOD 1 - 1st. November 1991 to 30th. April 1992
b) PERIOD 2 - 1st. May 1992 to 31st. October 1992
c) PERIOD 3 - 1st. November 1992 to 30th. April 1993
d) PERIOD 4 - 1st. May 1993 to 31st. October 1993

ii) the WP will detail the following :-
a) the number of trainees to be trained
b) the disciplines of the training
c) the number of producers to be employed
d) the work disciplines of these producers
e) a full and detailed budget for the period

iii) the WP is to be prepared by ADA no later than one calendar month prior to the commenced of the six monthly period to which that WP relates.

iv) the WP will be initially discussed by ADA with the local CEC representative in Peshawar and after that discussion, ADA will forward the WP to the approved Salvation Army Representative for agreement.

v) the agreed WP will then be confirmed by the Territorial Commander who will then submit it via. International Headquarters of The Salvation Army to CEC in Brussels, forwarding a duplicate copy to CEC Peshawar and CEC Islamabad and ADA, Peshawar.

b) any divergence from the WP as it relates to the following must have prior agreement of SA :-

i) a reduction in the number of trainees to be given training during the WP

ii) a change in the disciplines of the training

iii) a reduction in the number of producers employed during the WP

iv) a change in the work disciplines of the producers

v) any change in the budget line items (see Section II vi) below) of the WP greater than 5% of the six monthly total for that budget line in the appropriate WP

vii) undernoted are the budget line items referred to in Section II, v) above :-

a) TRAINING
   1) STAFF COST
   2) OPERATIONAL COST
   3) MANAGEMENT COST
   4) PURCHASES
   5) DIRECT TRAINING COST

b) PRODUCTION
   1) STAFF COST
   2) OPERATIONAL COST
   3) MANAGEMENT COST
   4) PURCHASES
   5) DIRECT PRODUCTION COST

c) MARKETING
1) STAFF COST
2) OPERATIONAL COST
3) MANAGEMENT COST
4) PURCHASES
5) DIRECT MARKETING COST

III. FINANCE

a) All of the sections regarding Finance recorded in the Legal Constitution of ADA (Section X,a) to d) inclusive are also relevant to and form part of this PAG.

b) In the above Section X of the Constitution of ADA, reference to the donor in the context of this agreement means The Salvation Army, Pakistan and its nominated representatives.

IV. ASSETS

a) all assets being used by ADA on under this PAG, will remain the propoerty of The Salvation Army, Pakistan/ Commission of the European Communities, until transfer has been approved by SA/CEC

b) transfer of legal title to ADA will be initiated at the request of ADA to SA and will be by signed agreement on stamp paper

c) the signatories to this asset transfer will be the Managing Director of ADA and Directors as referred to in Section VIII, j) ii) and iii) of the Constitution of ADA and the Territorial Finance Council of The Salvation Army, Pakistan.

d) transfer of assets will be subject to prior approval of CEC

e) at any time, assets being used by ADA and not having been legally transferred can be recalled by SA

f) no assets purchased on this contract may be used in Afghanistan

g) if any assets cannot be found by SA, the Managing Director and Directors as outlined in Section VII, j)ii) to vii) and Section IX, b) and e) of the Constitution of ADA will be legally bound, jointly and severally, to make good the book value, as noted in the current Balance Sheet/Asset Register, to the SA, within the period of one month after such written request. Failure to do so will mean automatic cessation of further funding from CEC through this PAG and termination by SA of any asset transfer which has not been completed relating to other SA assets.

V. DISPUTES

a) if any dispute cannot be solved internally between SA and ADA, then SA and ADA will have the authority to independently terminate this PAG forthwith.

b) if this PAG is terminated by either party, all assets relating to this PAG and/or previously transferred to ADA under this PAG would revert to SA ownership.

c) should a termination occur, all liabilities incurred by ADA would be the responsibility of the Managing Director and Directors detailed in Section IX, b) and d) of the Constitution of ADA. The Salvation Army will have no liability.

d) any disputes which cannot be resolved by internal discussion between ADA and SA will be referred to the relevant legal authorities in Pakistan.

VI. AMENDMENTS

a) should any amendments to this PAG be necessary, SA reserves the right to make these amendments, in consultation with ADA

b) should ADA not agree to these amendments, this PAG will become null and void and Section V. DISPUTES of this PAG will be evoked.

It is to ADA, that, with the kind approval of the donors, The Salvation Army has transferred its vocational training and income generation projects and associated assets and staff as at close of business on 31st. October 1991. The Salvation Army is now implementing a Pass Through Agreement with ADA for the CEC funds being received from 1st. November 1991 and a copy of the Agreement forms one of the Appendices at the end of this report.

The work of many people is necessary to implement such a project and I would like to take this opportunity to say a sincere word of thanks to all the staff who have made this programme possible. Without staff, a good proposal would not become a programme and I thank you each one for your hard work, often under difficult conditions. Your work, supported by the donors, is making a significant contribution towards the improvement of the life of many individuals and hopefully to the improvement of Afghanistan.

IVOR S. TELFER. CAPTAIN.
PREVIOUS DIRECTOR OF THE SALVATION ARMY AFGHAN REFUGEE ASSISTANCE PROJECT.
NOW SENIOR CONSULTANT WITH ADA ON SECONDMENT FROM SALVATION ARMY.
PESHAWAR.
3RD. DECEMBER 1991.

VII. DISSOLUTION.

a) ADA may not make any decision to dissolve without the prior approval of SA

b) any dissolution of ADA will be in accordance with Section VII, a) above and also in accordance with SECTION XII, a),b),c) of the Constitution of ADA.

VIII. TERMINATION.

a) termination of this PAG will be in accordance with the following criteria :-

   i) a joint decision by SA and ADA to conclude this PAG

   ii) a decision by SA to terminate this PAG due to ADA not adhering to some part of this PAG

   iii) a decision by ADA to terminate this PAG due to SA not adhering to some part of this PAG

   iv) a decision made by CEC and intimated to SA

   v) a repatriation of refugees from the camps in which ADA is working

   vi) a deterioration in the security situation in Peshawar which directly affects project implementation

THE SALVATION ARMY

Afghan Refugee Assistance Project
PAKISTAN

Signed this thirty-first day of October in the year of one thousand nine hundred and ninety one by

GHULAM JELANI POPAL MANAGING DIRECTOR A.D.A.	A.M. SIDDIQUE FINANCIAL DIRECTOR A.D.A.	M. QUASEEM ZARRAE ADMIN. DIRECTOR A.D.A.
COL. FARMAN MASIH TERRITORIAL CMDR.	LT. COL. W. RATCLIFFE CHIEF SECRETARY	MAJ. M. CASTLEY FIN. SECRETARY

ON BEHALF OF THE SALVATION ARMY, TERRITORIAL HEADQUARTERS, LAHORE

ANNEX H

THE SALVATION ARMY
Afghan Refugee Assistance Project
34–C/3A–1, Circular Road, University Town, Peshawar, N.W.F.P. PAKISTAN

University P.O. Box 922
Telephones (0521) 42230, 44779

ASSET TRANSFER

We, the undersigned, being of sound mind and without any provocation, do hereby now transfer legal title of the attached list of assets, raw materials and finished goods and funds, previously in the possession and under the operation of The Salvation Army Afghan Refugee Assistance Project, Peshawar, Pakistan to the Afghan Development Association, based at 34 C/3 - A1, Circular Road, University Town, P.O. Box 922, Peshawar, Pakistan.

All legal titles, rights, privileges and responsibilities relating to any and all of these assets now relates to Afghan Development Association who are wholly responsible for these said titles, rights, priveleges and responsibilities with effect from 1st. November 1991 (the first day of November in the year one thousand, nine hundred and ninety one).

This transfer is made in accordance with the Pass Through Agreement between The Salvation Army, Pakistan and Afghan Development Association and the Legal Constitution of Afghan Development Association and the rules contained in these documents as it relates to modes of operation and control of assets are relevant and operative to these mentioned assets.

THE SALVATION ARMY

Afghan Refugee Assistance Project

PAKISTAN

The assets on the attached one hundred and fifty three sheets (153), together with the following cash and banks funds :-

European Economic Community, Project ALA/A/3/90	Rs. 67,817-61
EEC/ICCO Income Account	Rs.2,423,564-21
S.A. Leatherwork Income Account	Rs. 215,494-02
S.A. Vocational Income Account	Rs. 952,731-00
S.A.F.E.	Rs. 75,091-00
TOTAL CASH AND BANK FUNDS	Rs.3,734,697-84

have now been transferred in accordance with the above details by The Salvation Army, Afghan Refugee Assistance Project, Peshawar.

Signed, this First Day of November, in the year of our Lord, One thousand, nine hundred and ninety one ,

IVOR S. TELFER. CAPTAIN.
DIRECTOR
THE SALVATION ARMY,
AFGHAN REFUGEE ASSISTANCE PROJECT,
PESHAWAR,
PAKISTAN.

ABID SHEZAD
PROJECT ACCOUNTANT
THE SALVATION ARMY,
AFGHAN REFUGEE AS. PR.
PESHAWAR,
PAKISTAN.

We, the undersigned, being of sound mind and without any provocation, do hereby accept and acknoweledge the aforementioned assets and will deal with them in accordance with the documents outlined above.

Received with thanks, this 1st. day of November 1991.

GHULAM JELANI POPAL
MANAGING DIRECTOR
AFGHAN DEVELOPMENT ASSOCIATION

MIR ABU MUSLIM SIDDIQUI
FINANCE DIRECTOR
AFGHAN DEVELOPMENT ASSOC.

WITNESSED

SHAKEEL CHANDER

MOHAMMAD NAZIR GHAMGUSAR

INTRODUCTION AND BACKGROUND

The Salvation Army commenced its vocational training and income generating programme, initially in the Ghazi camps, in 1984. This was due to the fact that almost 45% of the patients attending the B.H.Us were suffering from psychosomatic related illnesses i.e. they were not suffering from any physical illness, it was only due to lack of work and meaningful activity in the camps which had made them patients.

In order to reduce the pressure of psychosomatic patients on the BHUs and provide them with some meaningful work and income resources, which they also lacked, The Salvation Army established the vocational training and income generating project.

Initially this project commenced on a small scale but after a few years it expanded and became a major programme, which has certainly improved the socio-economic conditions of the refugees living in Ghazi and Haripur camps.

Through this programme refugees are provided work, income and technical training. The beneficiaries are the unskilled, children who are mainly orphans and poorer refugees. Self employment opportunities are created through this training.

This programme was initially funded by two donors, the U.S State Department Bureau for Refugee Programmes and Help the Aged Foundation, U.K.up to 31st October 1989. 50% of these funds were provided by USSD to cover the administrative and other overhead costs while Help the Aged's 50% share in the budget was utilized to cover the direct production costs i.e payment to producers, purchasing of raw materials and tools for production.

Besides these two donors, UNHCR Peshawar and UNHCR Lahore also provided funds for the Leatherwork project and the Quilt Making projects in Haripur and Mianwali (Punjab) camps respectively. UNHCR discontinued Quilt Project funding at the end of 1988 and similarly the funding for the Leatherwork Project was also discontinued after 31st December, 1989.

Since February 1990 the project has been co-funded by ICCO and from November 1990 by EEC. According to the agreement, 68% of the project would be funded by EEC and 22% by ICCO and 10% from income from sales.

During the concluded period, an average of 206 refugees were provided income monthly through work by producing items in Embroidery, Leather, Gillim, Carpet and Soap.

Training facilities were also provided to 280 refugees in Haripur and Ghazi who were or are being trained in Carpentry, Welding,Auto Mechanics, Painting, Car Body Repair and Tractor Repairing.

Training in soap making is being provided in Ghazi camps where a soap factory was established in 1989.

Kitchen Gardening and Tailoring training programmes for females have been added to the existing programmes in Haripur.

SIX MONTHS OBJECTIVES

1. To improve the social and economic condition of refugees living in Ghazi/Haripur refugee camps.

2. To provide vocational training opportunities to an estimated 298 trainees to assist them to become self sufficient through earning income.

3. To provide income for an estimated 360 skilled refugees every month.

4. To provide job opportunities for 75 Afghan national staff members working in the project

ACHIEVEMENTS

A - TRAINING

A total of 283 new trainees were enrolled during the reporting period and 344 successfully completed their training while 50 trainees were released. The executive summary refers to the problems relating to trainees being released from the Training Programme. 259 trainees are under training at present.

GHAZI TRAINING PROGRAMME

During the reporting period the project was implementing training activities in Ghazi camps where trainees have been enrolled. These trainees have been assigned to different shops in Ghazi where they receive practical and on-the-job training.

The Ghazi training programme is supervised by a training supervisor who, through daily visits to the training sites, keeps a record of the progress. Every trainee is provided a monthly training stipend of Rs. 300.00.

The trainees also receive on-the-job practical and theoretical training about running the shops and the basic principles of business. At the end of this reporting period, 110 trainees are under training in the following trades, Auto Mechanics, Metalwork, Carpentry, Tailoring and Welding.

A total of 117 trainees have graduated from Ghazi during this reporting period.

HARIPUR TRAINING PROGRAMME

A total of 227 trainees have completed their training during this reporting period in Kitchen Gardening, Female Tailoring, Leatherwork Training, Carpentry, Welding and Auto Mechanics.

Training in Leatherwork, Welding and Carpentry has been held in The Salvation Army Training Centre in the Refugee camp whereas Auto Mechanic training was held in the vehicle repair shops in Haripur town.

The Tailoring programme and Kitchen Gardening training programmes for the females are held in the trainees houses in the refugee camps in Haripur.

The project commenced the Kitchen Gardening training programme for the women, firstly to provide them skills to assist their family in expanding their resources, and secondly these women can play an important role in the development of their country after repatriation.

The Project has provided a training opportunity to 20 female trainees in tailoring. Necessary equipment such as sewing machines, measuring tapes, and scissors have been provided to each of these trainees.

At the end of this reporting period there are 149 trainees undergoing training in Haripur.

TRAINING - CONCLUSION

We are pleased to advise that the Training Programme is operating according to schedule and by the end of the grant period, the project objective of 520 trainees graduating will have been surpassed.

B - PRODUCTION

During the reporting period an average number of 337 refugee producers per month earned income from the project. This was a maximum of 389 in June 1991 and a minimum of 314 in July and September 1991. An amount of Rs.1,191,791.00 was paid as wages to these producers the average income per producer per month being Rs.590.00.

A new quality control system has been introduced which has a good effect on the quality of the produced items. As the project has been involved with production for six years the skills of the producers have been improved considerably and now they are able to produce a better quality of handicraft which is acceptable in local and foreign markets.

The provision of a consistent income for the last six years has greatly improved the economic condition of the beneficiaries.

LEATHERWORK

A average of 45 producers continued working in the leather production centre in camp NO. 8 in Haripur. The centre produced different designs of leather bags, wallets, shoulder bags and ladies and gents sandals.

In order to improve the quality of items, the project introduced a new production method:-

> those producers who produce the best quality of items receive 10% extra wages from the project and those who produce low quality have a 10% deduction in their wages. Since the introduction of this system the quality of items has improved.
>
> During the reporting period a total of Rs.343,104.00 has been paid to these producers as wages.
>
> In the tannery an average of 26 leather preparers have been provided with work and income amounting to Rs.213,974.00. A total of 12,304 skins have been processed in the tannery.

EMBROIDERY

The Embroidery project has been providing work for ladies since 1983 and a few hundred ladies have benefited from this project. During the reporting period, an average of 152 ladies every month have been provided with work and income amounting to Rs.130,869.00.

The embroidery supervisors visit the camps every week and distribute work and wages among producers and collect the completed items from them.

The supervisors then give the producers designs and instructions about colour combination and quality control. The embroidery items are brought to the Peshawar finishing room for sewing. Different items such as shalwar kameez, children clothes, table covers, napkins and small ornaments are being produced.

Six ladies were working in the finishing room at Peshawar and they receive a regular income. These ladies are mostly educated Afghan ladies from urban areas in Afghanistan now living in Peshawar city.

One significant change in this programme is that the finishing centre has now been moved from Peshawar to Haripur to enable better supervision of the work and also to ensure that the production operation can be more clearly controlled in the one location. This is implemented from 1st. November 1991.

CARPET

An average of 44 refugees received a total income of Rs.331,285.00 and 3,453 SQ FT of carpet has been produced in different Afghan and logo designs and assorted sizes during the reporting period.

The beneficiaries were mostly ladies from Turkman. and Uzbak tribes living in Haripur refugee camps.

GILLIM

An average of 43 ladies, mostly from the northern parts of Afghanistan, have been provided with work and income in the gillim making project in Ghazi. A total of 7,213SQ FT of gillim has been produced during this period and the sum of Rs.64,774.00 has been paid as wages.

THE SALVATION ARMY

Afghan Refugee Assistance Project
PAKISTAN

SECOND INTERIM REPORT

FOR THE PERIOD

1ST, MAY 1991 TO 31ST OCTOBER, 1991

VOCATIONAL TRAINING AND INCOME GENERATION PROJECT

FUNDED BY

COMMISSION OF THE EUROPEAN COMMUNITIES (CEC)
INTERCHURCH CO-ORDINATION COMMITTEE FOR DEVELOPMENT PROJECTS, NETHERLANDS (ICCO)

Peshawar

December 1991.

THE SALVATION ARMY

Afghan Refugee Assistance Project
PAKISTAN

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